11 February 1958

Copy No. 137

## CENTRAI

# INTELLIGEN

## BULLETIN



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Next 3 Page(s) In Document Exempt

Approved For Release 2002/07/30: CIA-RDP79T00975A003500090001-3 CENTRAL INTELLIGENCE BULLETIN 11 February 1958 25X DAILY BRIEF THE COMMUNIST BLOC Communist China: In his foreign policy speech on 10 February, Chou En-lai reaffirmed Peiping's declaration of 7 February calling for withdrawal of foreign troops from Korea, and asserted Communist China would "take the initiative" in this regard. His speech also suggested No Peiping's growing apprehension over international sentiment in favor of the "two Chinas" concept, and re-emphasized his regime's view that Taiwan must be brought under mainland control. Soviet leadership shifts: The position of foreign aid administrator Mikhail Pervukhin as a candidate member 8h of the presidium appears to be in doubt. Premier Bulganin's status also appears to be shaky. 25X1 no

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#### II. ASIA-AFRICA

Tunisia: Carefully controlled popular demonstrations in Tunisia will probably be organized by the government to channel indignation arising from the French bombing of a Tunisian village on 8 February. Tunisian indignation is partly focused on the United States because of French use of American-built planes in the attack. In Paris, there is widespread consternation over evidence that the French bombing in Tunisia may have been a calculated move to confront the Gaillard government with a fait accompli. There are preliminary indications that the whole Algerian question may be reopened; the possible complicity of Minister for Algeria Lacoste may disrupt the cabinet.

Egyptian-Syrian union-Arab countermoves: Jordan's King Hussayn is scheduled to meet King Faysal of Iraq today to discuss measures, including confederation of their two countries, to counter the impact of the Egyptian-Syrian union. Hussayn flew to Beirut on 10 February, probably in a last-minute personal attempt to persuade Lebanon at least to delay recognizing the union. Egyptian editorial praise for the idea of an Iraq-Jordan combination is probably an advance psychological effort by Nasir to minimize the anti-Egyptian implications of such a combination.

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DAILY BRIEF

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Indonesia: Lt. Col. Hussein broadcast on 10 February from Central Sumatra a demand to President Sukarno giving him five days to dissolve the Djuanda cabinet. It is still not entirely certain whether a rival government will be established in Sumatra, as originally planned, if Sukarno refuses.

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Kenya: Serious deterioration in the Kenya political and security situation has resulted from a recent spurt in political agitation by African nationalists. The government has recently adopted repressive countermeasures, and the police commissioner foresees the possibility of martial law. Agitation by Africans against their constitutional position is likely to intensify further following legislative elections scheduled in March.

#### III. THE WEST

Britain: Despite a favorable press reaction to Macmillan's 8 February note to Bulganin, the Conservative government's standing with the British public remains low. Loss of two coming parliamentary by-elections, the first on 12 February, will be a further blow. Continuation of voting trends registered in by-elections over the past year will cause both seats formerly held by Conservatives to swing to the Labor party.

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DAILY BRIEF

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#### I. THE COMMUNIST BLOC

### Soviet Presidium Member May Be Slated for Demotion

The position of Soviet foreign aid administrator Mikhail Pervukhin as a candidate member of the party presidium appears to be in doubt. He is the only one of the 23 full and candidate members of the presidium who has not been included in published lists of nominations to the USSR Supreme Soviet, according to the American Embassy in Moscow. Even if subsequently nominated, Pervukhin, who was until last June one of the Soviet regime's top industrial executives, has clearly been set apart from his colleagues on the party's top body. As in the case of Premier Bulganin, the contempt shown in the electoral process for Pervukhin's prestige may signify impending demotion.

Pervukhin was dropped from full membership in the presidium at the June 1957 central committee plenum, but hung on as the lowest ranking candidate member. Soon thereafter he lost his place as a first deputy chairman of the Council of Ministers and was given a lower ranking post as chairman of the Committee on Foreign Economic Relations. These moves appeared to indicate that Pervukhin, like Bulganin, had not given Khrushchev his wholehearted support in the policy debate which preceded defeat of the Malenkov-Molotov-Kaganovich faction, but that Khrushchev hesitated to reveal the size of the opposition by making a clean sweep then. The further decline of Bulganin and Pervukhin would emphatically demonstrate Khrushchev's political preseminence.

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#### II. ASIA-AFRICA

### Reaction to French Bombing of Tunisian Village

Carefully controlled popular demonstrations will probably be organized by the Tunisian Government to provide an outlet for indignation arising from the French Air Force bombing of the border village of Sakiet Sidi Youssef on 8 February. Barring further border incidents, the Tunisians are likely to comply with President Bourguiba's request that order be maintained and that there be no retaliation against French citizens residing in Tunisia.

Tunisian indignation is partially focused on the United States because American-built planes were used in the French attack. This indignation is reinforced by the bitterness prevailing in Tunisia over what is regarded as inadequate American economic assistance to Tunisia compared with more generous aid recently given to France.

Bourguiba has protested to the United Nations against the bombing, but has refrained thus far from severing relations with France. By demanding the evacuation of all French troops from Tunisia, including the base at Bizerte. however, he has retracted his public offer of December that France might continue to use the base.

In Paris, there is widespread consternation over the circumstances of the attack and preliminary evidence that it may have been a calculated move to present the governcabinet.

ment with a fait accompli. The topic will be raised in the National Assembly on 11 February, and the possible complicity of Minister for Algeria Lacoste may disrupt the

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## Central Sumatran Leader Broadcasts Demand to President Sukarno

Lt. Col. Hussein, commander in Central Sumatra, on 10 February broadcast a demand that President Sukarno dissolve the Djuanda cabinet within five days. Hussein asked for a new cabinet headed by former Vice President Mohammed Hatta and the Sultan of Jogjakarta. Should Sukarno refuse, Hussein said, the dissidents would declare themselves "free from any obligation to obey President Sukarno."

The dissidents' next step, if Sukarno ignores their demands, presumably will be the establishment in Sumatra of a rival Indonesian government, as they had earlier planned. However, their wording appears sufficiently indefinite to permit compromise, and the dissidents themselves are not now united on the desirability of establishing a rival government.

Former Vice President Hatta, on whom the dissidents count heavily, asserts he will not participate in either a rival government or in a successor to the Djuanda cabinet. Lt. Col. Barlian, commander in South Sumatra, has co-operated extensively with the dissidents, but apparently has not as yet decided to join any government proposed by them. North Sumatran support for a rival government is even more uncertain.

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## Kenya Political and Security Situation Deteriorating

Serious deterioration in the political and security situation in Kenya has occurred recently because of growing agitation by African nationalists. The eight African elected representatives to the Kenya Legislative Council have refused to participate in the government for the past 11 months, and in November denounced the constitutional reform plan announced by the British Government. Their stand has received popular endorsement from all sections of African opinion. The tempo of nationalist activity has quickened, particularly around the capital city of Nairobi, and is likely to be intensified following legislative council elections scheduled for March.

The government has recently become so disturbed by the over-all pattern of disruptive events that it has adopted repressive countermeasures, and the Kenya police commissioner foresees the possible imposition of martial law. The authorities have banned political meetings in Nairobi and recently uncovered a subversive African organization with some similarities to Mau Mau.

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#### III. THE WEST

#### Macmillan Government Faces Future Blows to Prestige

The Conservative government's standing with the British public remains low despite the favorable press reaction to Prime Minister Macmillan's 8 February reply to Bulganin regarding a possible summit meeting. The government faces a critical period, with its new firmness in restraining wage increases yet to be tested to the point of risking major strikes. The loss of two coming parliamentary by-elections may limit the government's ability to deal effectively with overriding domestic and foreign policy issues. The government therefore is inclined to curry public opinion on those issues which have wide all-party support, such as European security and nuclear disarmament.

In 15 by-elections over the past year, the Conservative share of the vote has fallen on the average from 7 to 10 percent from the 1955 general election. A continuation of this trend would give the Labor party a fairly easy victory in the contests in the marginal constituencies of Rochdale, on 12 February, and Kelvingrove. Liberal party candidates, who have captured a large share of the disgruntled Conservative vote in several recent by-elections, are contesting both seats. According to the American Embassy, Conservative leaders have not only conceded defeat but also fear that at Rochdale the Liberals may, for the first time in the postwar period, finish ahead of the Conservative candidate.

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### DAILY BRIEF

#### THE COMMUNIST BLOC

Communist China: In his foreign policy speech on 10 February, Chou En-lai reaffirmed Peiping's declaration of 7 February calling for withdrawal of foreign troops from Korea, and asserted Communist China would "take the initiative" in this regard. His speech also suggested Peiping's growing apprehension over international sentiment in favor of the "two Chinas" concept, and re-emphasized his regime's view that Taiwan must be brought under mainland control.

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